

MAJOR TAXES OF INTEREST TO BUSINESS

<u>TAX</u>	<u>RATE</u>
Corporate Income (flat rate)	7.9%
Apportionment (to become 100% based on sales beginning in 2005):	
Sales	50%
Property	25%
Payroll	25%
Sales/Use	5%
Manufacturing machinery	Exempt
Pollution controls equipment	Exempt
Materials consumed	Exempt
Manufacturing energy	100% Tax Credit
Property Tax (full value state average rate)	2.211%
Computer equipment	Exempt
Manufacturing machinery & equipment	Exempt
Manufacturing inventories	Exempt
Merchant's inventories	Exempt
Pollution controls equipment	Exempt
Unemployment Compensation	
New employers (3 yrs.), payroll < than \$500,000	3.05%
New employers (3 yrs.), payroll > than \$500,000	3.25%
Base	\$10,500
Minimum/Maximum	0.00%-9.75%
FUTA penalty	0%
Workers Compensation	
Average in manufacturing	\$4.43/\$100.00
Personal Income	
\$0-\$10,630	4.6%
\$10,631-\$132,259	6.15%
\$132,260-\$153,249	6.5%
\$153,250+	6.75%
60% Capitol gains exclusion	